

**EIGHTEENTH LEGISLATIVE DAY
THURSDAY, JANUARY 26, 2006**

House of Representatives

The House convened at 11:30 a.m., the Speaker in the Chair.

Roll call showed 65 members present.

Absent and excused -- Barrett, Bradford, Lake, Loertscher, Sali. Total -- 5.

Total -- 70.

Prayer was offered by Chaplain Jim Hardenbrook.

The Pledge of Allegiance was led by Catherine Hedrickson, Page.

Approval of Journal

January 26, 2006

Mr. Speaker:

We, your COMMITTEE ON JUDICIARY, RULES, AND ADMINISTRATION, report that we have read and approved the House Journal of the Seventeenth Legislative Day and recommend that same be adopted as corrected.

FIELD(18), Chairman

Mrs. Field(18) moved that the report be adopted. Seconded by Mrs. Boe. Report adopted.

**Consideration of Messages from the
Governor and the Senate**

January 25, 2006

Mr. Speaker:

I transmit herewith **SJM 114** and **S 1260** which have passed the Senate.

WOOD, Secretary

SJM 114 and **S 1260** were filed for first reading.

January 25, 2006

Mr. Speaker:

I return herewith **H 403** which has passed the Senate.

WOOD, Secretary

H 403 was referred to the Judiciary, Rules, and Administration Committee for enrolling.

Report of Standing Committees

January 26, 2006

Mr. Speaker:

We, your COMMITTEE ON JUDICIARY, RULES, AND ADMINISTRATION report that we have printed **HCR 31**, **H 462**, **H 463**, **H 464**, **H 465**, **H 466**, **H 467**, **H 468**, **H 469**, **H 470**, **H 471**, **H 472**, **H 473**, **H 474**, **H 475**, and **HJR 3**.

FIELD(18), Chairman

HCR 31 was referred to the Health and Welfare Committee.

H 462, **H 463**, and **H 464** were referred to the Transportation and Defense Committee.

H 465 and **H 466** were referred to the Agricultural Affairs Committee.

H 467, **H 468**, and **H 469** were referred to the State Affairs Committee.

H 470, **H 471**, **H 472**, **H 473**, **H 474**, and **H 475** were referred to the Revenue and Taxation Committee.

HJR 3 was held at the Desk.

January 25, 2006

Mr. Speaker:

We, your COMMITTEE ON JUDICIARY, RULES, AND ADMINISTRATION, report that we have had under consideration **SJM 113** and recommend that it do pass.

FIELD(18), Chairman

SJM 113 was filed for second reading.

There being no objection, the House advanced to the Seventh Order of Business.

Motions, Memorials, and Resolutions

SJM 114, by State Affairs Committee, was introduced, read the first time by title, and referred to the Environment, Energy, and Technology Committee.

**Introduction, First Reading, and Reference
of Bills and Joint Resolutions**

HOUSE BILL NO. 476

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO NONCONSENSUAL COMMON LAW LIENS; AMENDING SECTION 45-1704, IDAHO CODE, TO CLARIFY THE REMEDY FOR REMOVING AN INVALID CLAIM OF LIEN FILED AGAINST A FEDERAL, STATE OR LOCAL OFFICIAL OR EMPLOYEE; AMENDING SECTION 45-1705, IDAHO CODE, TO REVISE PENALTIES APPLICABLE TO FILING AN INVALID CLAIM OF LIEN; AND DECLARING AN EMERGENCY.

HOUSE BILL NO. 477

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO THE DIVISION OF VETERANS SERVICES; AMENDING SECTION 65-201, IDAHO CODE, TO TRANSFER ALL RIGHTS, TITLE AND INTEREST IN REAL AND PERSONAL PROPERTY HELD BY THE DEPARTMENT OF HEALTH AND WELFARE FOR THE PURPOSE OF PROVIDING SERVICES TO VETERANS TO THE DIVISION OF VETERANS SERVICES IN FURTHER

COMPLIANCE WITH CHAPTER 59, LAWS OF 2000; AND DECLARING AN EMERGENCY.

HOUSE BILL NO. 478
BY REVENUE AND TAXATION COMMITTEE
AN ACT

RELATING TO PROPERTY TAXES AND TAXING DISTRICTS; AMENDING SECTION 63-802, IDAHO CODE, TO PROVIDE THAT NO TAXING DISTRICT SHALL CERTIFY A BUDGET REQUEST FOR AN AMOUNT OF PROPERTY TAX REVENUES TO FINANCE AN ANNUAL BUDGET THAT EXCEEDS THE DOLLAR AMOUNT OF PROPERTY TAXES CERTIFIED FOR ITS ANNUAL BUDGET FOR ANY ONE OF THE THREE TAX YEARS PRECEDING THE CURRENT TAX YEAR, WHICHEVER IS GREATER, WHICH AMOUNT MAY BE INCREASED BY A GROWTH FACTOR OF NOT TO EXCEED THREE PERCENT UNLESS AN ELECTION IS HELD TO EXCEED THE AMOUNT AUTHORIZED BY THIS ACT; DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.

HOUSE BILL NO. 479
BY REVENUE AND TAXATION COMMITTEE
AN ACT

RELATING TO FINANCING OF THE PUBLIC SCHOOLS; AMENDING SECTION 33-802, IDAHO CODE, TO REVISE HOW MAXIMUM SCHOOL MAINTENANCE AND OPERATION LEVIES ARE CALCULATED FOR TAX YEAR 2006 AND THEREAFTER; AMENDING SECTION 33-1002, IDAHO CODE, TO REVISE THE LOCAL DISTRICTS' CONTRIBUTION CALCULATION AND TO PROVIDE THAT CHARTER SCHOOL DISTRICTS MUST REDUCE PROPERTY TAX LEVIES TO BE ELIGIBLE TO RECEIVE STATE FUNDS; AMENDING SECTION 33-1002D, IDAHO CODE, TO PROVIDE THAT THE PURPOSE OF THE SECTION IS TO PROVIDE ONGOING PROPERTY TAX RELIEF AND TO PROVIDE THAT MONEYS IN THE FUND SHALL BE STATE DISCRETIONARY FUNDS; AND AMENDING CHAPTER 68, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-6804, IDAHO CODE, TO PROVIDE FOR TRANSFER OF EXCESS REVENUES OF THE GENERAL FUND UPON CERTAIN CIRCUMSTANCES OCCURRING AND TO PROVIDE FOR TRANSFERS TO THE PUBLIC SCHOOL INCOME FUND.

HOUSE BILL NO. 480
BY REVENUE AND TAXATION COMMITTEE
AN ACT

RELATING TO LIMITATION OF PROPERTY TAXES; AMENDING CHAPTER 8, TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-802B, IDAHO CODE, TO PROVIDE A MECHANISM FOR THE VOTERS OF CERTAIN TAXING DISTRICTS TO REDUCE THE PROPERTY TAX PORTION OF THE TAXING DISTRICT'S BUDGET FOR THE FOLLOWING FISCAL YEAR, TO DEFINE TERMS AND TO PROVIDE PROCEDURES; AMENDING SECTION 63-802, IDAHO CODE, TO PROVIDE A RESTRICTION IMPOSED BY LAW ON SCHOOL

DISTRICTS, TO PROVIDE FOR A LIMIT ON AN INCREASE IN THE EVENT A TAXING DISTRICT'S PROPERTY TAX PORTION OF ITS BUDGET IS ESTABLISHED PURSUANT TO A PROPERTY TAX REDUCTION ELECTION AND TO LIMIT FOREGONE INCREASES; PROVIDING SEVERABILITY; DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.

HOUSE BILL NO. 481
BY REVENUE AND TAXATION COMMITTEE
AN ACT

RELATING TO PROPERTY TAXES; AMENDING CHAPTER 8, TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-813, IDAHO CODE, TO PROVIDE THAT NO TAXING DISTRICT SHALL CERTIFY A BUDGET REQUEST TO FINANCE THE PROPERTY TAX PORTION OF ITS OPERATING BUDGET FOR THE FISCAL YEAR COMMENCING IN 2006 AND ENDING IN 2007 THAT EXCEEDS THE DOLLAR AMOUNT OF PROPERTY TAXES CERTIFIED FOR THAT PURPOSE IN 2005 AND TO PROVIDE AN EXCEPTION; AND TO DECLARE AN EMERGENCY.

HOUSE BILL NO. 482
BY REVENUE AND TAXATION COMMITTEE
AN ACT

RELATING TO PROPERTY TAX EXEMPTIONS; AMENDING CHAPTER 6, TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 63-602PP, IDAHO CODE, TO PROVIDE FOR AN EXEMPTION FROM TAXATION OF THAT PORTION OF THE MARKET VALUE FOR ASSESSMENT PURPOSES OF RESIDENTIAL IMPROVEMENTS AND RESIDENTIAL LOT THAT EXCEEDS THE MARKET VALUE FOR ASSESSMENT PURPOSES OF THAT SAME PROPERTY FOR THE YEAR 2006, OR THE VALUE AS DETERMINED UPON A REAPPRAISAL OF THE PROPERTY AT THE TIME OF A TRANSFER OF OWNERSHIP, TO REQUIRE THAT THE RESIDENTIAL IMPROVEMENTS BE OWNER-OCCUPIED AND USED AS THE PRIMARY DWELLING PLACE OF THE OWNER, TO PROVIDE THAT THE OWNER MUST APPLY FOR THE EXEMPTION, TO PROVIDE FOR REAPPRAISAL UPON A TRANSFER OF OWNERSHIP OF THE PROPERTY AND ADJUSTMENT OF THE MARKET VALUE FOR ASSESSMENT PURPOSES, TO PROVIDE DEFINITIONS, TO DECLARE THAT THE EXEMPTION IS NECESSARY AND JUST AND TO PROVIDE THAT THE EXEMPTION SHALL BE AVAILABLE FOR CERTAIN OWNERS WHO ARE ABSENT BY REASON OF ACTIVE MILITARY SERVICE IN A DESIGNATED COMBAT ZONE; AND PROVIDING AN EFFECTIVE DATE.

HOUSE BILL NO. 483
BY REVENUE AND TAXATION COMMITTEE
AN ACT

RELATING TO INCOME TAX CHECKOFFS AND DONATIONS; AMENDING SECTION 63-3067A, IDAHO CODE, TO PROVIDE FOR DESIGNATION BY INDIVIDUALS OF A REFUND FOR AN OVERPAYMENT

OF INCOME TAXES OR A DONATION BY INDIVIDUALS TO THE AMERICAN RED CROSS OF GREATER IDAHO FUND; AMENDING SECTION 63-3067B, IDAHO CODE, TO PROVIDE FOR DESIGNATION BY INDIVIDUALS OF A REFUND FOR AN OVERPAYMENT OF INCOME TAXES OR A DONATION BY INDIVIDUALS TO THE AMERICAN RED CROSS OF GREATER IDAHO FUND; AND AMENDING CHAPTER 8, TITLE 57, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 57-821, IDAHO CODE, TO CREATE THE AMERICAN RED CROSS OF GREATER IDAHO FUND IN THE STATE TREASURY.

HOUSE BILL NO. 484
BY REVENUE AND TAXATION COMMITTEE
 AN ACT

RELATING TO TAXATION; AMENDING SECTION 63-3622X, IDAHO CODE, TO REVISE DESCRIPTIVE LANGUAGE AND TO REVISE THE TAX EXEMPTION APPLICABLE TO POLLUTION CONTROL DEVICES, MATERIAL OR EQUIPMENT; DECLARING AN EMERGENCY AND PROVIDING RETROACTIVE APPLICATION.

HOUSE BILL NO. 485
BY REVENUE AND TAXATION COMMITTEE
 AN ACT

RELATING TO PUBLIC INFRASTRUCTURE IMPROVEMENTS DISTRICTS; AMENDING TITLE 50, IDAHO CODE, BY THE ADDITION OF A NEW CHAPTER 30, TITLE 50, IDAHO CODE, TO PROVIDE LEGISLATIVE PURPOSE, RELATIONSHIP TO OTHER LAWS AND A SHORT TITLE, TO DEFINE TERMS, TO PROVIDE FOR CREATION OF PUBLIC INFRASTRUCTURE IMPROVEMENTS DISTRICTS, TO PROVIDE FOR ORGANIZATION OF A DISTRICT, TO PROVIDE POWERS OF A DISTRICT, TO PROVIDE FOR A CHANGE IN DISTRICT BOUNDARIES OR THE GENERAL PLAN, TO PROVIDE FOR FINANCES, TO PROVIDE FOR GENERAL OBLIGATION BONDS AND TAX LEVIES, TO PROVIDE FOR REVENUE BONDS AND FEES AND CHARGES, TO PROVIDE TERMS OF THE BONDS, TO PROVIDE FOR NOTICE AND CONDUCT OF ELECTIONS, TO PROVIDE FOR TAXES, TO PROVIDE FOR FINANCIAL STATEMENTS AND ESTIMATES, BUDGETS AND CERTIFICATION OF LEVIES, TO PROVIDE FOR DISCLOSURE, TO PROVIDE FOR DISSOLUTION OF A DISTRICT, TO PROVIDE FOR EXEMPTIONS AND EXCLUSIONS, TO PROVIDE FOR LIMITATION OF LIABILITY, TO PROVIDE FOR APPEAL, EXCLUSIVE REMEDY AND CONCLUSIVENESS, TO PROVIDE FOR CONSISTENCY WITH STATE LAW, TO PROVIDE LIBERAL INTERPRETATION AND TO PROVIDE SEVERABILITY.

H 476, H 477, H 478, H 479, H 480, H 481, H 482, H 483, H 484, and H 485 were introduced, read the first time by title, and referred to the Judiciary, Rules, and Administration Committee for printing.

S 1260, by State Affairs Committee, was introduced, read the first time by title, and referred to the State Affairs Committee.

There being no objection, the House advanced to the Tenth Order of Business.

Second Reading of Bills and Joint Resolutions

H 405 and **H 406**, by Commerce and Human Resources Committee, were read the second time by title and filed for third reading.

S 1277 and **S 1278**, by Finance Committee, were read the second time by title and filed for third reading.

Third Reading of Bills and Joint Resolutions

H 440 was read the third time at length, section by section, and placed before the House for final consideration.

At this time, the Speaker recognized Mr. Bolz to open debate.

The question being, "Shall **H 440** pass?"

Roll call resulted as follows:

AYES -- Anderson, Andrus, Barraclough, Bastian, Bayer, Bedke, Bell, Bilbao, Black, Block, Boe, Bolz, Brackett, Cannon, Chadderdon, Clark, Collins, Crow, Deal, Denney, Edmunson, Ellsworth, Eskridge, Field(18), Field(23), Garrett, Hart, Harwood, Henderson, Jaquet, Kemp, LeFavour, Martinez, Mathews, McGeachin, McKague, Miller, Mitchell(Chavez), Moyle, Nielsen, Nonini, Pasley-Stuart, Pence, Raybould, Ring, Ringo, Roberts, Rusche, Rydaldh, Sayler, Schaefer, Shepherd(2), Shepherd(8), Shirley, Skippen, Smith(30), Smith(24), Smylie, Snodgrass, Stevenson, Trail, Wills, Wood, Mr. Speaker. Total -- 64.

NAYS -- None.

Absent and excused -- Barrett, Bradford, Henbest, Lake, Loertscher, Sali. Total -- 6.

Total -- 70.

Whereupon the Speaker declared **H 440** passed the House. Title was approved and the bill was ordered transmitted to the Senate.

There being no objection, the House advanced to the Sixteenth Order of Business.

Adjournment

Mr. Denney moved that the House adjourn until 8 a.m., Friday, January 27, 2006. Seconded by Mr. Sayler. Motion carried.

Whereupon the Speaker declared the House adjourned at 11:53 a.m.

BRUCE NEWCOMB, Speaker

ATTEST:

PAMM JUKER, Chief Clerk